Clemow Consulting Group, LLP

Comments

A Newsletter for the Non-Profit Community *Fall 2006*

Time for a New Fundraising System?

John Maier, Consultant

Unhappy with your Fundraising System? The Best New System…Could be Your Old One

If you are unhappy with your fundraising system, it's important to first ask whether it *could* meet your needs. This requires an assessment of both your needs *and* your system. But why do this when you know it's not really working for you?

Selecting and implementing new software is a major project. It's wise to consider the possibility that your existing software could meet your needs, because if so, you would avoid the significant cost - - in time, effort and money - - of replacing it. To understand how this could be the case, let's look at what can happen to systems over time.

Features not Used are Forgotten, and Features Used Can Become Unreliable

First, features that are not used tend to be forgotten. The sales person is long gone and the glossy brochures have all disappeared. Functions hidden under pull-down menus, tabs, buttons and right clicks are not evident. Staff turnover and discontinuation of the vendor's maintenance program virtually ensure that current staff members are not aware of the system's full capabilities.

Second, features and functions that are being used can become unreliable. They fall victim to the disappearance of documentation on policies and procedures, and to successive new staff members' different ways of doing things. This results in a decline in the level of organization and consistency of the data, which in turn has a profound negative impact on the accuracy of reports and other output. It begins to appear that the system "doesn't work".

Unreliable Features are Supplemented by Manual Procedures, leading to Big Trouble

As accuracy declines, the software is supplemented by increasing manual effort. For example, financial reports may no longer tie together, so they are "corrected" in Excel. Acknowledgement letters may contain errors that are cleaned up in the merge output file - - over and over again. Every year, staff members may spend weeks poring over and fixing the Honor Roll donor lists.

As output becomes increasingly suspect, reliance on manual procedures increases, further undermining the system and resulting in gross inefficiencies and higher error rates. Key symptoms of this impending crisis include the proliferation of Excel or Access files, the need to enter or correct the same data in multiple locations, and version control problems ("Which address is the latest?").

What to do?

1. Recognize that these are *implementation* problems. New software in and of itself will not solve implementation problems (although it may provide the impetus to solve them).
2. Before deciding to get rid of the old software, assess whether it is the *software* that can't meet your needs, or whether it is the *implementation* that is not meeting your needs.
3. Consider *re-implementation*. This will be much easier and less expensive than selecting and implementing new software.

Do the Background Work to Make Grant Applications Count

Ceila Dame Robbins, Consultant

Grant applications can be enormously time-consuming. However, some of the most important work in applying for a grant should be done before a single word goes down on paper – and if that work is done right, it may save hours, even days, of wasted time.

The major challenge in the early stages of grant-seeking is to identify appropriate potential funders, which calls for a careful process of evaluation. Often, the list of potential funders is compiled by searching various Internet-based databases or print directories. Such a search might result in a sizable stack of application guidelines from a number of funders, and these guidelines should be read with great care. Though the guidelines may identify program areas of interest to the funder that seem to be aligned with your program, the funder may have specific requirements that change the picture dramatically.

In fact, it's amazing how many restrictive conditions may be included in those guidelines! Some of the most common include geographic location, specific populations that are served or the breadth of the program's reach. Many funders accept applications only from organizations that have been invited to submit them. All these conditions reflect the fact that these funders have thought long and hard about their mission: they know what they want to accomplish and where and how. If your program doesn't fit these guidelines, your application is highly unlikely to be successful.

Studying the guidelines will help identify the most promising funding sources, though you may still have questions about some of them. At this point, it's time to employ a formidable tool – your telephone. Even if your program seems tailor-made to fit a funder's specifications, it is always a good idea to contact a program officer or other official to describe what you're hoping to fund, and hopefully receive confirmation of the fit. Also, if a funder accepts applications on an "invitation only" basis, a phone call and description of your program may create enough interest to elicit an invitation to apply.

Who should make these phone calls? For an initial screening call, a contact from a grantwriter or program staff to a program officer is sufficient. However, it can be very helpful to follow up that call with a contact from your chief executive officer (or other leadership staff) to begin the process of relationship-building, if he/she is comfortable making such a call. Many funders are deeply invested in their mission, and it's important for them to be comfortable that your organization will really further that mission. Direct contact from your organization's leadership can help build that trust.

At this point, you will have narrowed your list of potential funders considerably. At the same time, you will have increased the probability that your proposal will be considered seriously. You probably have hours of research and writing ahead, but at least you'll be reasonably confident that your time will be well spent

Philanthropic New Englanders? Revisiting Charitable Giving Data

Katherine Singer, Senior Consultant

New Englanders have long had a reputation for being thrifty and cautious with their money, including their philanthropic giving. According to an annual index of charitable giving, the Catalogue for Philanthropy, residents of Connecticut and their New England neighbors continue to earn more but give back less to their communities. In 2004, the Catalog ranked Connecticut first in making money, but placed it with New Hampshire, Massachusetts and Rhode Island on the lowest rungs of the 2004 Generosity Index.

However, a new study, *A Closer Look at New England Giving (November 2005)*, conducted by the Center on Philanthropy at Indiana University, confirms what many New Englanders have long believed – that philanthropy is alive and well in this region and that New Englanders give generously to their communities. In fact, the new research shows that a higher proportion of the population in this region gives to charitable causes than in other regions of the country. It also reveals that New Englanders are more likely to give – and give more on average – to secular or non-religious causes than people in other areas.

The research clearly showed that the overall disparity in charitable giving is the result of greater giving to religious organizations in other regions of the United States.

According to Nancy Roberts, Executive Director of the

Continued next page

Connecticut Council for Philanthropy, "This study confirms what many of us have believed for years – that New Englanders give generously to community causes." She further added, "We believe that New England's strong history of deep connections to our communities translates to higher giving to those organizations that shore up those communities."

The new report is based on survey data that allows for a comparison of households that report giving on their income tax returns as well as those that do not. Past charitable giving analyses have depended on IRS charitable deduction data, which identified only those who itemized their gifts. The new findings also show that philanthropy in New England is found across all segments of the community, whereas philanthropy in other regions of the country is determined more by association with a religious faith, marital status and age of the head of household.

The report showed that 87% of households in New England are donors compared to 67% of households in other parts of the country, and more than 75% of New Englanders give to secular causes compared to 56% of people in other parts of the country.

Representative CCG Clients

Antiquarian & Landmarks Society, Inc.
Fellowship Place
Foodshare, Inc.
Hartford Public Library
Hartford Stage
Hill-Stead Museum
Holcomb Farm Learning Centers
New Britain Museum of American Art
Open Hearth
Pathways Senderos Center
Watkinson School
West Hartford Public Library
YWCA

About Us

CCG Celebrates An Anniversary

An Interview with Susan Clemow by Ceila Robbins

Clemow Consulting Group is celebrating its fifteenth anniversary this year. The company's origins go back to 1991, when two women, Susan Clemow and Edie Gengras, formed a partnership with the goal of helping small nonprofits strengthen their organizations and build capacity. "The two of us were a good combination," Susan explained in a recent interview. "We both had significant exposure to the nonprofit community as staff, volunteers and board members. We had completely different strengths, and we complemented each other and formed a good team."

Much has changed since that beginning. In 1996, Edie left the partnership, but Susan continued the firm's work and mission under the new name of the Clemow Consulting Group. By that time, more consultants had been added to the firm, and they were working with more sophisticated organizations and challenges. "We all learned as we went along," Susan noted. "Many of the organizations we worked with had implemented best practices in various areas, and we were constantly learning and then passing those lessons on to other organizations, when it was appropriate. Our clients have been our best teachers."

Over the past 15 years, CCG has served over 128 clients in the arts, social services, education, museums, libraries and hospitals, and has left them stronger and more secure financially and organizationally. The 15 capital campaigns the company has conducted have helped raise nearly $200 million for its clients – and all of these capital campaigns have exceeded their goal. "It's very gratifying to drive around the Hartford area and see what has been build with the money we helped to raise, such as the New Britain Museum of Art, the Farmington Library, the Asylum Hill Boys and Girls Club, Foodshare, Inc., and so many others." she said.

For Susan, CCG has an extremely satisfying history to look back on. "Philanthropy," she commented, "is such an important part of who we are as Americans. It has been a pleasure to work with so many great boards, staffs, foundations, corporations and individuals who bring to life the concepts of giving back to the community by helping others."

How Do You Know When You Are Ready To Begin A Capital Campaign?

Susan B. Clemow, Managing Partner

1. Your project meets a compelling need that everyone understands.
2. Your Executive Director has been with the organization for 24 months or more.
3. The organization has had a balanced budget for 2 or more years.
4. You will be able to raise 10 to 15 times the amount you generally raise in the annual fund.
5. The organization has an up-to-date strategic plan and a development plan.
6. The organization can identify 40-60 people to be interviewed who could be significant donors to the campaign.
7. The "homework" has been done on the project and it is clear. You have developed a proforma budget and have projected how the facility will be self sustaining when the project is done.
8. You can identify 200 sources who might be able to provide the largest gifts to this campaign.
9. The case for giving is clear and compelling.
10. There are no other like organizations raising capital funds in your service area.
11. You can recruit enough campaign volunteers to make the campaign a success.
12. The Board and staff are 100% behind the project and are willing to help with the campaign.
13. Your Board can contribute 10% or more of your campaign goal
14. You have someone on your Board, or in the community, who loves your organization who has sufficient stature, strength, influence and affluence to be your campaign chair.
15. Each Board member will participate in the campaign, give money and be an advocate for the campaign.

With thanks to Jerry Panas for some good fundraising tips in "Right Time for Campaign."

Comments

A Newsletter for the Non-Profit Community

Clemow Consulting Group, LLP
120 Mountain Ave., Suite 202
Bloomfield, CT 06002
Phone (860) 286-9396
E-mail: admin@fundraisingccg.com
Website: www.fundraisingccg.com